

2019-20 Compensation for Graduate Assistants
FINANCE AND RESOURCE MANAGEMENT COMMITTEE

March 31, 2019

Background

Graduate students who work as graduate assistants while pursuing their master's or doctoral degrees provide a valuable service to the university. Many teach undergraduate classes while others support faculty in scholarly and sponsored research activities. To be competitive in the recruitment and retention of high quality graduate students, it is important for the university to provide compensation packages that are comparable with those offered by peer institutions. The key components of the total compensation package are a stipend, tuition assistance, and health insurance benefit.

Graduate Stipends

One of the primary goals of Virginia Tech during the 1980's was to build a graduate compensation program that was competitive with those offered by comparable institutions. Across the campus, graduate assistants have a variety of responsibilities. To recognize the differences in services performed by these students, the university created a stipend scale that defines ranges of stipend amounts, providing academic and administrative unit's flexibility in compensating graduate assistants. The levels within the stipend table have been adjusted over the years to remain competitive.

To respond to increasing competition for quality graduate students among peer institutions, the graduate student stipend scale was revised for Fall 2003 and approved by the Board of Visitors. The revision better positioned Virginia Tech departments as compared to their national peers and reflected the minimum stipend levels authorized by the National Science Foundation at the time. The Fall 2004 stipend scale added 10 additional stipend steps, numbered 41-50, to increase the university's competitive position in attracting outstanding Ph.D. students. In 2004-05, the graduate stipend scale was enhanced to function as 50 pay ranges (Attachment). These ranges provide flexibility in situations where a defined level of resources does not exactly match one of the existing steps, and allow for an actual stipend to be established within the range of a step.

In 2011-12, an academic year fixed dollar supplement was added to the graduate stipend scale to help offset university assigned costs such as the health fee. As a result, the graduate assistant stipend is currently comprised of two components: 1) a base stipend and 2) a fixed supplement. For administrative efficiency and processing, the two components are combined into the traditional stipend scale. As of January 25, 2019, the

current average monthly stipend for full-time graduate assistants is \$2,052 per month, which falls within step 12 of the 2018-19 stipend scale.

Tuition Assistance

In the 1990's, the university developed a more comprehensive program of tuition remission for graduate students serving on assistantships. The tuition program is financed by four sources including: the General Fund appropriation for graduate student financial assistance, a tuition remission program in the Educational and General budget, tuition payments planned in the budgets of externally sponsored grants and contracts, and private funds. The tuition remission program for graduate students on assistantship includes the remission of tuition, mandatory E&G fees (excluding the state assigned Commonwealth Capital and Equipment Fee), and non-executive graduate program fees. Tuition remission benefits are provided on a per-semester basis for the duration of the contracted period.

In prior years, the tuition remission for the semester was "earned" if the assistantship was in place through the fifth week of the semester. Beginning in fiscal year 2019-20, this procedure will be modified such that in the case of an early termination of an assistantship, tuition remission benefits are prorated to align with the portion of the semester completed, as seen in Table 1.

Table 1

Number of Weeks Into Semester When Assistantship is Terminated	Student Tuition & E&G Fee Obligation	Department Tuition & E&G Fee Obligation
Less than Four	100%	0%
Four through less than Eight	75%	25%
Eight through less than Twelve	50%	50%
Twelve through less than Sixteen	25%	75%
Sixteen or more (full semester)	0%	100%

Health Insurance

At the March 2001 meeting of the Board of Visitors, a health insurance program for graduate students on assistantship was approved as a part of the graduate student compensation package to enhance the university's competitiveness in recruiting highly qualified graduate students. The program was designed to help full-time graduate students receiving a full or partial assistantship, including graduate research assistants, graduate teaching assistants, and graduate assistants, offset a portion of the cost of health insurance premiums. In 2009-10, university management worked with representatives of the graduate student community to review and improve the overall mix and value of benefits provided through the health insurance program; these enhancements were approved by the Board and included in the program for 2010-11. For the 2018-19 academic year, the Board of Visitors approved a health insurance

subsidy rate of 88 percent for graduate assistants, matching the university's share of other employee health insurance programs.

In order to qualify for health insurance, full-time graduate students must have a 50 percent or greater appointment. Graduate students also have the option to decline coverage if they so choose. In 2018-19, the university provided 88 percent of the \$3,175 annual premium cost of the plan to 2,079 graduate students. The plan provided for a \$450 in-network annual deductible, \$5,750 per-person out-of-pocket maximum, \$25 co-pay for in-network doctors' visits, and an unlimited maximum benefit. Students can obtain optional dental benefits for an additional cost.

Proposed Graduate Assistant Compensation Plan for 2019-20

The university proposes the following actions:

- Annualization of the fall 2018 graduate compensation adjustment of 2.0 percent, which was partially implemented during 2018-19 resulting in a 0.8 percent increase to the stipend schedule for 2019-20.
- Further, the university proposes advancing the stipend scale for 2019-20 by implementing a 3.0 percent increase, effective August 10th, 2019. This aligns with the university's planned faculty compensation program.
- The university proposes continuing the university share of the graduate assistant health insurance coverage at 88 percent, based upon the university's current estimate of no cost increase for graduate student insurance coverage.
- Graduate tuition remission will be prorated to align with the portion of the semester completed, effective with Fall 2019.

RECOMMENDATION

That the graduate assistant compensation program for 2019-20 be approved.

March 31, 2019

2019-20 Full-Time Graduate Monthly Stipend Compensation
Effective August 10, 2019

Step	2019-20			Total Stipend					
	Components		AY Supplement						
	Monthly Base			Monthly		9 Month		12 Month	
Step 1	\$ 1,472	- \$ 1,472	\$400	\$ 1,517	- \$ 1,517	\$ 13,653	- \$ 13,653	\$ 18,204	- \$ 18,204
Step 2	1,473	- 1,530	400	1,518	- 1,575	13,662	- 14,175	18,216	- 18,900
Step 3	1,531	- 1,586	400	1,576	- 1,631	14,184	- 14,679	18,912	- 19,572
Step 4	1,587	- 1,642	400	1,632	- 1,687	14,688	- 15,183	19,584	- 20,244
Step 5	1,644	- 1,698	400	1,689	- 1,743	15,201	- 15,687	20,268	- 20,916
Step 6	1,699	- 1,758	400	1,744	- 1,802	15,696	- 16,218	20,928	- 21,624
Step 7	1,759	- 1,813	400	1,803	- 1,857	16,227	- 16,713	21,636	- 22,284
Step 8	1,814	- 1,871	400	1,858	- 1,915	16,722	- 17,235	22,296	- 22,980
Step 9	1,873	- 1,926	400	1,917	- 1,970	17,253	- 17,730	23,004	- 23,640
Step 10	1,927	- 1,985	400	1,971	- 2,029	17,739	- 18,261	23,652	- 24,348
Step 11	1,986	- 2,038	400	2,030	- 2,082	18,270	- 18,738	24,360	- 24,984
Step 12	2,040	- 2,093	400	2,084	- 2,137	18,756	- 19,233	25,008	- 25,644
Step 13	2,096	- 2,153	400	2,140	- 2,197	19,260	- 19,773	25,680	- 26,364
Step 14	2,154	- 2,208	400	2,199	- 2,252	19,791	- 20,268	26,388	- 27,024
Step 15	2,209	- 2,265	400	2,254	- 2,310	20,286	- 20,790	27,048	- 27,720
Step 16	2,266	- 2,321	400	2,311	- 2,366	20,799	- 21,294	27,732	- 28,392
Step 17	2,322	- 2,377	400	2,367	- 2,422	21,303	- 21,798	28,404	- 29,064
Step 18	2,378	- 2,436	400	2,423	- 2,481	21,807	- 22,329	29,076	- 29,772
Step 19	2,437	- 2,492	400	2,482	- 2,537	22,338	- 22,833	29,784	- 30,444
Step 20	2,493	- 2,547	400	2,538	- 2,592	22,842	- 23,328	30,456	- 31,104
Step 21	2,550	- 2,606	400	2,594	- 2,650	23,346	- 23,850	31,128	- 31,800
Step 22	2,607	- 2,659	400	2,651	- 2,703	23,859	- 24,327	31,812	- 32,436
Step 23	2,660	- 2,717	400	2,704	- 2,761	24,336	- 24,849	32,448	- 33,132
Step 24	2,718	- 2,775	400	2,762	- 2,819	24,858	- 25,371	33,144	- 33,828
Step 25	2,776	- 2,831	400	2,820	- 2,875	25,380	- 25,875	33,840	- 34,500
Step 26	2,832	- 2,886	400	2,876	- 2,930	25,884	- 26,370	34,512	- 35,160
Step 27	2,887	- 2,946	400	2,931	- 2,991	26,379	- 26,919	35,172	- 35,892
Step 28	2,947	- 3,000	400	2,992	- 3,044	26,928	- 27,396	35,904	- 36,528
Step 29	3,001	- 3,056	400	3,046	- 3,101	27,414	- 27,909	36,552	- 37,212
Step 30	3,057	- 3,114	400	3,102	- 3,159	27,918	- 28,431	37,224	- 37,908
Step 31	3,115	- 3,168	400	3,160	- 3,213	28,440	- 28,917	37,920	- 38,556
Step 32	3,169	- 3,225	400	3,214	- 3,270	28,926	- 29,430	38,568	- 39,240
Step 33	3,227	- 3,282	400	3,272	- 3,327	29,448	- 29,943	39,264	- 39,924
Step 34	3,283	- 3,338	400	3,328	- 3,383	29,952	- 30,447	39,936	- 40,596
Step 35	3,339	- 3,394	400	3,384	- 3,439	30,456	- 30,951	40,608	- 41,268
Step 36	3,396	- 3,452	400	3,440	- 3,496	30,960	- 31,464	41,280	- 41,952
Step 37	3,453	- 3,508	400	3,497	- 3,552	31,473	- 31,968	41,964	- 42,624
Step 38	3,509	- 3,565	400	3,553	- 3,609	31,977	- 32,481	42,636	- 43,308
Step 39	3,566	- 3,623	400	3,610	- 3,667	32,490	- 33,003	43,320	- 44,004
Step 40	3,624	- 3,677	400	3,668	- 3,721	33,012	- 33,489	44,016	- 44,652
Step 41	3,678	- 3,737	400	3,722	- 3,781	33,498	- 34,029	44,664	- 45,372
Step 42	3,738	- 3,792	400	3,783	- 3,836	34,047	- 34,524	45,396	- 46,032
Step 43	3,793	- 3,847	400	3,838	- 3,892	34,542	- 35,028	46,056	- 46,704
Step 44	3,848	- 3,905	400	3,893	- 3,950	35,037	- 35,550	46,716	- 47,400
Step 45	3,906	- 3,960	400	3,951	- 4,005	35,559	- 36,045	47,412	- 48,060
Step 46	3,961	- 4,019	400	4,006	- 4,064	36,054	- 36,576	48,072	- 48,768
Step 47	4,021	- 4,073	400	4,066	- 4,118	36,594	- 37,062	48,792	- 49,416
Step 48	4,074	- 4,133	400	4,119	- 4,177	37,071	- 37,593	49,428	- 50,124
Step 49	4,134	- 4,188	400	4,178	- 4,232	37,602	- 38,088	50,136	- 50,784
Step 50	4,189	- 4,245	400	4,233	- 4,289	38,097	- 38,601	50,796	- 51,468



Approval of 2019-20 Compensation for Graduate Assistants

*DWIGHT SHELTON, VICE PRESIDENT FOR FINANCE AND CHIEF
FINANCIAL OFFICER*

*TIM HODGE, ASSOCIATE VICE PRESIDENT FOR BUDGET AND FINANCIAL
PLANNING*

MARCH 31, 2019



Background

Graduate Assistants provide valuable services to the university, including teaching and support of scholarly and research activities.

Successful recruitment of high quality graduate students requires the university to offer competitive compensation packages.

Components of Total Compensation Package

- Stipend
- Tuition assistance
- Health insurance benefit



Background

1. Base stipend scale provides a range of stipend amounts reflective of differing levels of responsibility.

- Current stipend scale has 50 pay ranges to ensure flexibility to the university programs.

2. Fixed supplement (established in 2011-12 to help offset university assigned costs such as the health fee)

As of January 2019, the current average monthly stipend for full-time graduate assistants is \$2,052 per month.



Tuition Assistance*: Financed by Four Sources



1. **General** Fund appropriation for graduate assistance
2. Tuition remissions in the Educational and General budget
3. Tuition payments planned in the budgets of externally sponsored grants and contracts
4. Private funds

**Includes remission of tuition, mandatory E&G fees, and non-executive graduate program fees.*



Tuition Remission

Tuition Remission benefits provided on a per-semester basis to students who receive an assistantship

- In prior years, tuition remission for the semester was “earned” if assistantship was in place through fifth week of semester.
- Effective for FY 20, in the case of an early termination of an assistantship, benefits are prorated to the portion of the semester worked.

Health Insurance

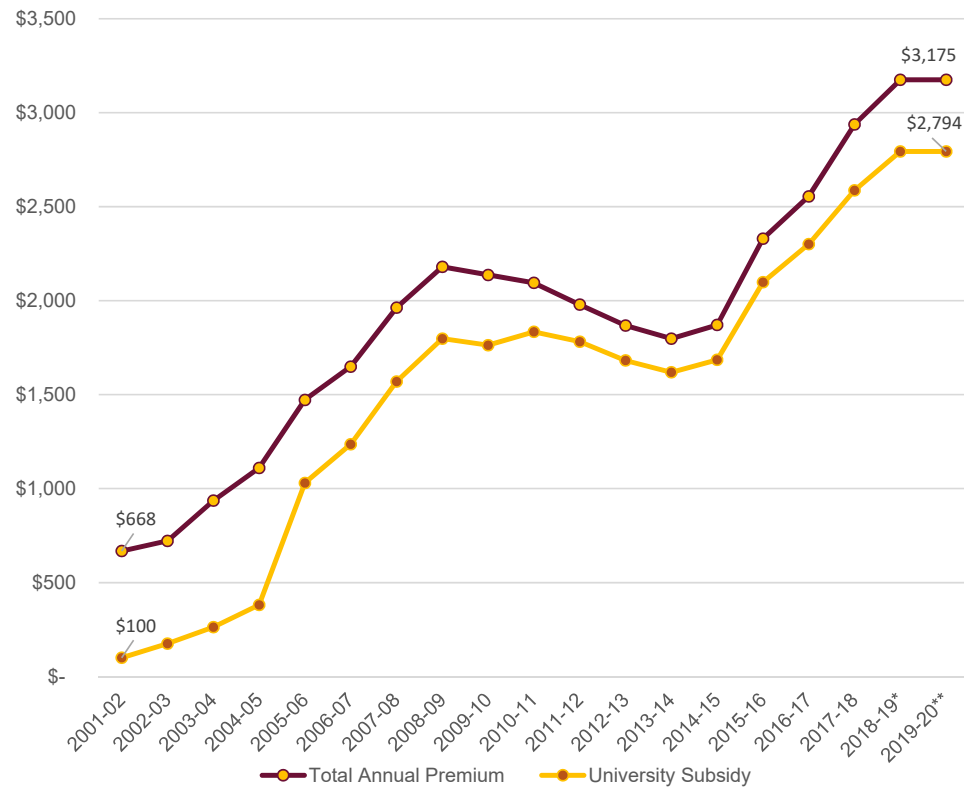


- Health insurance for graduate students on assistantships was established in 2001.
- To qualify, full-time graduate students must have a 50 percent or greater assistantship appointment.
- In 2018-19, the university provided 88 percent of the \$3,175 annual premium cost to 2,079 graduate students.
 - The 88 percent subsidy matches the university's share of other employee health insurance programs.
- Graduate students may decline coverage.

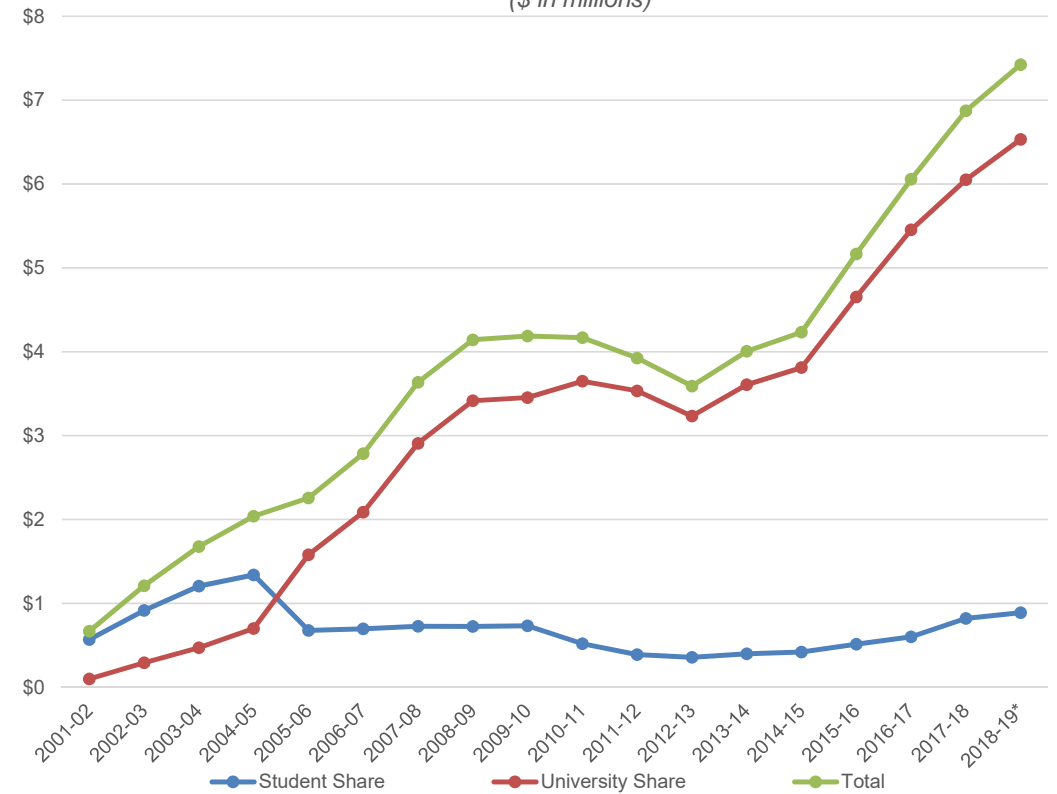


Historical Graduate Healthcare Trends

Annual Premium for Graduate Health Insurance
2001-2020



Annual Student and University Cost for Graduate Health Insurance 2001-2019
(\$ in millions)



*Projected

Graduate Assistant Compensation Plan for 2019-20

1. Advance the stipend scale for 2019-20 by implementing a 3.0 percent increase
 - This is congruent with planned faculty compensation program
 - Effective August 10, 2019
2. Continue the university share of health insurance coverage of 88 percent
 - This is consistent with the university's share of other employee health insurance programs
3. Graduate tuition remission will be prorated to align with the portion of the semester completed, effective with Fall 2019

RECOMMENDATION:

That the graduate assistant compensation program for 2019-20 be approved.

March 31, 2019





Discussion

